



City of Seattle

Mayor Edward B. Murray

April 11, 2017

Seattle City Employees' Retirement System
Board of Administration
Pacific Building
720 3rd Ave, 9th Floor
Seattle, WA 98104

Dear Board Members,

Over the last month, I've heard from many Seattleites who have asked about our city's pension system, specifically whether the investments in the system adequately represent the values of City of Seattle employees. The advocates and employees I've heard from have made compelling arguments about the need to divest pension investments from fossil fuels, and our exposure to financial risks if we don't do so. I believe these arguments have merit and I think Seattle should join with other pension systems around the country from California to Washington, DC, that are exploring divestment.

I have received multiple legal and financial analyses, both from city staff and external sources, to explore what I could do as mayor to move our retirement fund toward fossil fuel divestment. Their advice has been clear in saying that the Mayor has no ability to direct the members of the Retirement Board, including those members that serve on my Cabinet, to divest the fund from fossil fuel investments. In their role on the Board, Cabinet members directly serve current and former City employees who are enrolled in the system, not the Mayor, and in that role must act to protect the financial interests of the members. I find this personally frustrating, but I also respect the limits of executive authority.

Nonetheless, I want to be clear about where I stand on this issue in hopes that you will consider this issue anew. Today I want to add my voice to the chorus of other advocates from 350.org and other organizations in calling for the Retirement Board to divest from fossil fuels.

Specifically, I am asking the Board to take the following actions:

1. Re-evaluate its position about the role fossil fuels play in our retirement fund and how they impact the health of our retirees' investments by updating its legal and fiduciary analysis on this important issue.
2. I request that the Board act to divest any holdings the fund has in companies whose primary business is the mining or burning of coal. The Trump administration is willing to threaten the basic right to clean air for millions of Americans with his attempt to withdraw from the Clean Power Plan. Efforts to meet the US's Paris targets like the Clean Power Plan were expected to prevent [7,000 premature deaths](#) each year from air pollution. In Seattle, we should stand up for the health of Americans by moving our investments away from coal electricity and towards clean energy.

3. I also request that the City's Deferred Compensation Plan and Trust Committee, which oversees City employees' deferred compensation program, build on work they have already started and develop a fossil fuel-free investment portfolio for employees to choose from. Any employee who participates in this program should have the choice to align their investments with their values, with the understanding that these choices may affect the returns earned on these investments.

From his recent actions, it seems that President Trump has forgotten that the solar and wind industries are both creating jobs [12 times faster](#) than the rest of the US economy. It seems he has forgotten that [race remains the number one predictor](#) of whether or not an American breathes polluted air. In Seattle, we are committed to meeting our obligations to the international community, growing our economy, and protecting the health of all our residents. I ask you all, as the Board of our retirement system, to join me.

Sincerely,



Edward B. Murray
Mayor of Seattle

Cc:
Seattle City Councilmembers
350 Seattle